CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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- Growing tension has developed between two leading functionaries of the Central Office for Research and Technology (Zentralamt fuer Forschung und Technik - 2AFT), of the East German State Planning Commission. The two are Dr. Alfred Baumbach, head of ZAFT Main Department I and Dr. Guenther Panning, head of the Department for Chemical Industry under Baumbach's direction. The tension was mainly caused by the increase of Baumbach's influence upon the direction of ZAFT. Baumbach, who is the father-in-law of ZAFT head Werner Lange, is practifully directing the ZAFT administration since Lange's appointment to a permanent function in the State Planning Commission while still retaining his ZAFT position. Panning has made repeated attacks upon Baumbach's allegedly autocratic way of running things, such as the fasuing of directives to Panning's subordinates without properly informing Panning. Actually the struggle is between a faction in ZAFT strongly backed by Lange and led by Baumbach, who aspires to succeed Lange on the one side, and the faction led by Panning who is ambitious and allegedly backed by some high officials in the Central Committee of the SED.
- 2. At the present time Baumbach has succeeded in curtailing Panning's influence. Upon his recommendations, Lange called off Panning from the sessions of the ZAFT directorate (Leitungssitzung) which take place every week . Previously, Panning was eligible to take part in these sessions but he has now been excluded from them.

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